

**Norphlet Chemical Report**  
**February 24 – March 1, 2008**  
**By Evert Talbot**

The distillation and recycling project at Norphlet is still going very well. The process is slow but we are recapturing a lot of the TCE, 133, 132, 131 and other solvents which can be used later after startup. Most of the "heavies" or "tars" are turning out to be more fluid and lighter than originally expected. We continue to place this waste in tote tanks to be hauled off for disposal. Vic Forte still expects this process to continue for about 2 – 3 more weeks.

The Long family came by to visit with me, David and Vic. Linde looked great. We were all glad to see him "up & about". We discussed their two pending stock options as they pertain to the loans made to Norphlet and the Garrisons. Per Scott Carter and Linde Long, they are interested in exercising these options in the near future. The Longs also invited all of us to their weekly cook out at the oil field yard on Thursday which we all later attended.

At the request of Vic Forte, I met with Jeff Williams our Maintenance Superintendent. He has accepted another position with the local Power Company with a better payment package including benefits. However, Jeff still wants to work for Norphlet on a part time basis. He is certified in many fields of construction, inspection & maintenance testing. We have made him an offer which he will probably accept. Our payroll burden will dip slightly with this recent change.

Don Dodson came by on Wednesday and set in on our weekly conference call ~~with the investor group. We are all very pleased with his attitude and enthusiasm~~ in seeking other outside legal counsel to handle the treasury stock issue.

There has been no contact whatsoever with the Jack Golson group as suggested by John Garrison on the evening of the 19<sup>th</sup>. At the time of this writing, Tulstar Products has not been contacted either.

Jim Crotty came by to give his view of how the Norphlet community was pleased with the efforts and funding we were doing to keep this plant operative for the future. He again cautioned us about security for the plant and hoped that we would move forward with at least putting a guard and a guard house at the gate to intercept visitors at all times.

We spoke with Tulstar about our ongoing negotiations with consultant Yuichi Iikubo. They were somewhat surprised at the suggested fees and offered to help us find an alternative to his services. Later in the week they put me in touch with David Edwards and Wally DeLand out of Paducah, Kentucky.

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These two men were heavily involved with planning, construction and management of the 141b plant that Norphlet now has partially converted. This facility was originally constructed in Gramercy, Louisiana.

Both men were later employed at ATOCHEM in Calvert City, Kentucky. They reportedly built and ran the 134a unit. Dave Edwards was the plant manager for 6 years. They have both since moved on to a third employer, Honeywell in Metropolis, Illinois. However, at this plant they are not involved in refrigerants. Both are not under secrecy agreements nor confidentiality & non-compete status. This has all expired for them.

At the time of this writing, they have submitted a general proposal under three different scenarios:

- 1 Both men consulting with a minimum of 1000 hours for the project
- 2 Both men working full time for Norphlet Chemical & moving south
- 3 One working for Norphlet and the other remaining as a consultant while maintaining present employment with Honeywell

The cost of these three methods appears to be just as expensive as the original likubo proposal. We are in discussions with them now to see if we can come to Paducah, Kentucky to meet with them, discuss our project and possibly "qualify" them for a chance to compete with likubo. If this opportunity matures, Bob James, Evert and Craig will make the trip the week of March 3<sup>rd</sup>.

Regarding the call from consultant Bob Boyajian, I sat in on this conference call with Craig, Ronnie and Vic. As you know, he was just hired for one day's work to give us a broad overview of the project from his prospective. Aside from all of the comments that Craig Wilson made in his report, I thought it was very interesting that in summary he kept insisting that we partner up with a current producer of 134a such as ATOCHEM. In my opinion, he probably had some type of outside personal interest in making this suggestion. Simply put, I think he is already talking with them relative to our project.